World Chronicle

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POVERTY ERADICATION

Nitin DESAI, United Nations Under-Secretary-General for Policy Coordination and Sustainable Development, discusses poverty and its various expressions around the world. The degree of poverty varies from one country to another, and the most affected areas are Africa and South Asia. But despite poverty's persistence, international assistance has improved the quality of life in many parts of the world. Sustainable economic development is essential for the eradication of poverty. In industrialized countries, Mr. Desai believes that high technology and automation have replaced people in the workplace and therefore contribute to poverty. The breakdown of peace and security contributes to poverty, just as poverty contributes to the breakdown of peace and security.

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ANNOUNCER: From United Nations Headquarters in New York, this is **World Chronicle**, an unedited interview programme about major global issues. Here now to introduce our guest is the host of today's **World Chronicle**.

LITTLEJOHNS: I'm Michael Littlejohns, and this is **World Chronicle**.

The last half century has witnessed progress unmatched in the history of mankind, with the wealth of nations multiplying several times over. Yet the gap between rich and poor continues to widen. Today, more than one billion people in the world, one in every five, live in absolute poverty. In third world countries especially, poor communities suffer from a wide range of poverty-based problems, which cause profound suffering in those who are most vulnerable – women and children. To improve the quality of life for the poor, the world community has declared 1996 the International Year for the Eradication of Poverty.

Our guest today is Nitin Desai, United Nations Under-Secretary-General for Policy Coordination and Sustainable Development. Joining me to talk with Mr. Desai are Ian Steele of the Press Foundation of Asia and Emiko Tate of NHK, Japan Broadcasting.

Mr. Desai, welcome to World Chronicle.

Mr. Under-Secretary-General, it seems to me, and probably to a lot of people, that you guys have set yourself quite a task if you think that you're going to eradicate poverty in one year. It's probably going to take several centuries, if it can ever be eradicated. What is it they say, "the poor are always with us"?

DESAI: Well, I don't think – the purpose of the International Year for the Eradication of Poverty is surely not that tight, that the 31st of December '96 there will be no poor left in the world. I think its primary purpose – nobody is so unrealistic. The primary purpose is to raise awareness, to focus attention, to get, grab the attention of policy-makers and opinion-makers, to say, don't forget the poor. And that is its primary purpose, it's an awareness-raising exercise. And therefore the challenge before us is to ensure that by the end of the year the commitment to poverty eradication in every country is significantly greater than it was at the beginning of the year. That's our objective.

LITTLEJOHNS: In the introduction, we spoke about "absolute poverty". What is the criterion for absoluteness?

DESAI: In most cases in the third world countries it's defined in terms of the sort of income level that you require to be able to obtain the basic nutrition you require for life. For instance, in some cases it's defined as the income required to buy 320 kilograms of rice a year; in certain other cases in terms of a broader basket of goods. But basically it's the level of income that one would say is necessary for a basic minimum of human dignity.

LITTLEJOHNS: I saw the figure of a dollar a day. Is that about right?

DESAI: I'd say that's roughly right.

LITTLEJOHNS: And how many countries are most affected by this phenomenon?

DESAI: Oh, I would say that in terms of absolute poverty you would find some absolute poverty in practically every country in the world. It's the percentages which vary. It may be a few percentage points in the richer countries, and we go up to 50, 60, 70 per cent in the least developed. But basically it's concentrated in Africa and South Asia. The greater part of the world's absolute poor, the ones who do not have access to even the basic requirements for human dignity, are essentially in Africa and South Asia.

LITTLEJOHNS: But this is a problem which affects the developed countries too.

DESAI: Surely.

LITTLEJOHNS: I saw in some of the background material that was given to us that in London, for example, there are 400,000 registered homeless, whatever that may mean.

DESAI: Surely. And, why, we just walk out of this building, across the street, and we'll see that. So certainly there is a problem of absolute poverty, even in industrial countries.

LITTLEJOHNS: But these are people probably who still are obtaining, by fair means or foul, more than a dollar a day.

DESAI: Yes. And you also have support structures for them which are probably far more organized than support structures available to the poor in the third world. But the fact is that poverty as a phenomenon exists everywhere, and as an economic phenomenon it is one where you have an economic system where a significant part of the population is, so to speak, marginalized, and therefore are unable to participate in economic activity, earn a sufficient income. And it reflects itself also in political and social marginalization.

TATE: Mr. Desai, during the Social Summit in '95 several nations pledged to eradicate poverty by a target date for each country.

DESAI: That's right.

TATE: How is – what's the progress on that? How far is it coming? And how realistic were those goals that the countries set?

DESAI: What they committed themselves to in Copenhagen was to specify a target. It's not as if they announced that we will do it by such and such date in Copenhagen. But what they committed themselves to was that they would work out a target and indicate what that target would be after Copenhagen. One of our major purposes during 1996 is basically to press this point home, to say, look, this is what your president and prime minister committed to in Copenhagen, now in '96 please formulate your strategy, your plans, and indicate a target date for the removal of absolute poverty.

STEELE: Are we moving towards a position where we're looking at poverty as a national responsibility more than an international responsibility?

DESAI: I would say that the actions have to be designed at the national level, but there is a sense in which it is a global responsibility. First, because even though the poor live in a local area in a particular country, the consequences of poverty do migrate and move. And therefore it's in everybody's interest to address the issue of poverty. Second, I think basically addressing poverty is a logical forward step in what I would describe as the moral progression of the human race. I think we are already at a point at which people accept that they would not like to see a child suffer anywhere in the world unnecessarily; they would not like to see mass starvation anywhere in the world unnecessarily, and are ready to make sacrifices for that. We're just moving one step further.

STEELE: The numbers are very bleak, and one is tempted to look at the UN and ask what will we have to show for it after 50 years of the UN system, strategies of one kind or another addressing basically the same theme. And there is progress, but it's very difficult when the quantity, the large number of people living in poverty is constantly expanding. The proportions may be diminishing, but the volume is increasing. At the end of the day, have the strategies been successful? Have we failed? Has the UN failed? Who's failed? Because we're still faced with a very visible problem.

DESAI: Yes, but I would say that you must see the successes also. Take, for instance, a country like Indonesia, which has reduced poverty from 60 to 14 per cent. Or you take many other countries in Asia, where real progress has been made in at least getting rid of the most abject forms of poverty. So I would say that – I would certainly not accept that the past 50 years of action on this front has failed. No, I don't think so at all. I come from a poor country, and I assure you that the quality of life for poor people in many, many parts of the world has improved significantly. Assistance has worked. And this is the message which we need to get across, that it has worked, it has delivered results. Now what we want to do is more, in new areas.

STEELE: Does the UN have the same capacity that it had 20 years ago to drive this campaign?

DESAI: I would say even greater. And I'll tell you why. We are living in an environment where in a way the world is moving towards market solutions for everything. And it's even more important to focus on poverty as a responsibility of public authorities at the national level of the global community now than was the case 20 years ago. So I would argue in fact that we – it's even more important that we address the issue through the UN, through national Governments, now than perhaps 20 years ago.

TATE: Can you talk about some of the UN programmes that have been successful? You said they have been working. What programmes have? And also, with several

countries now tightening their budgets for development assistance, how hopeful are you for future programmes to eradicate poverty?

DESAI: There are two; the successes that one can point to are of two types. One is the sort of campaigns – for disease eradication, UNICEF's campaigns for immunization of children; what was done by UNICEF, UNESCO and the others for the spread of education. That's one type of success. And there are significant successes. In my country there are people whose health is much better because of these great campaigns. The second type of success is where the UN system – and in this I include the World Bank – has assisted countries in formulating very specific strategies for poor groups. This has happened in Indonesia, Philippines – I described the types of successes which have been achieved. I mentioned Indonesia. Now, that was one area where the UN was quite active in supporting the efforts of the Indonesian Government to promote very localized initiatives for poverty eradication. And much of the success in Indonesia has come from that initiative of the Government, which was strongly supported by the UN. The Philippines. In Sri Lanka there is a trust which has been formulated which assists rural people with credit, with education, and in other areas. That's been supported by the UN. So there are a large number of specific, small initiatives all over the place which have been supported through the UN.

I believe the contribution of the UN has been in terms of emphasizing the need for a community-based, a local area-based effort at poverty eradication in terms of involving the poor in this exercise. So this is essentially the two basic types of things: large campaigns on specific problems, and a strong effort to promote local initiatives, participation, poor people's involvement in a large number of small schemes all over the world. These are the two basic things the UN has done.

TATE: You mentioned the World Bank. The UN is now trying to eradicate poverty, but how do you deal with UN bodies such as the IMF, which has programmes such as structural adjustments which have forced thousands, hundreds of thousands into poverty? Can you explain a little bit about structural adjustment? Why it was implemented and what can be done to prevent this future negative social impact on poverty?

DESAI: A couple of points. I think if anybody argues that poverty can be eradicated in an unstable economy, then I think they'd better go and look at an unstable economy. The extent to which the poor suffer in situations of economic crisis, whether it is inflation, whether it is a trade breakdown, is far greater than what happens to them in situations where perhaps the economy is stable but budgets are tight. So let's not run away with the notion that somehow economic stabilization is against the interests of the poor. But one must accept that during the process of stabilization budgets come under pressure particularly, and it's necessary to cover that particular dimension. And I think it's being

done increasingly. UNICEF, as you know, came out with the notion of "adjustment with a human face". Many of those elements are now being reflected in structural adjustment programmes, mainly through safety nets. At the Social Summit we went a stage further; we said, not just safety nets after the event, but you must write into the programme a concern for the poor and protecting the programmes which directly benefit the poor. I hope this will happen. So certainly I think we have to write into structural adjustment the need to ensure that the real costs of adjustment do not fall on the poor, but on others. But at the same time I don't want to jump to the other extreme and say, well, let's get rid of all adjustment, because an unstable economy is not in the interests of the poor.

STEELE: Do you have a basic recipe of priorities which a country as a rule of thumb should adopt to make a significant inroad on poverty? Starting with family planning, the sheer volume that a country's dealing with, social services? Investment?

DESAI: Let me – I'm now going to jump to the other end. I work at the global level, but I'm going to talk about my village. Because it's very easy to make grand statements, but if I see my village, in India, it's changed enormously in the past 40 years. And if I ask myself why did it change, I would say three things. One, education. Even in the poorest community in my village there are enough educated people who will fight for their rights. And argue for their rights. Second, local infrastructure, particularly roads and electrification. What that did was it allowed the local artisans to raise their productivity and become small entrepreneurs instead of being village craftsmen. And through that, an immense amount of prosperity spread through the village, through jobs, outside the agricultural sector, and so on. And the third thing is access. Because of the opening up of roads, a carpenter who was operating in a market of maybe 5,000 people has suddenly started operating in a market of 50,000 people. The key to all this is to open up opportunities for the poor. Do not underestimate the willingness of the poor to save and invest in their own advancement. I have seen in my village the sacrifices which families have made to put a child through high school, to acquire a pump set for their small plot of land. Don't underestimate their willingness to work for their own advancement. Don't talk down to them. Don't have talk-down programmes. Open up opportunities.

STEELE: Was there a single key to unlock the door?

LITTLEJOHNS: This is World Chronicle. Our guest is Nitin Desai, United Nations Under-Secretary-General for Policy Coordination and Sustainable Development.

STEELE: Was there one driving factor, one thing that unlocked the door to enable those processes to move forward?

DESAI: If I had to, in my village, I'd say probably a key factor was democracy. Because it generated certain pressures for addressing the concerns of the poor. And that led

to other things. I would say, if you forced me to identify one factor, then I would say certainly it's the fact of democracy, which made a big, big difference.

LITTLEJOHNS: Mr. Desai, of course we all know the problems of poverty in so-called third world countries, but why is there so much poverty in very rich countries like Germany? I'm not quite sure about the situation in Japan; perhaps there are fewer poor people in Japan than in other very rich countries. But certainly, as you mentioned earlier, we see them all the time here in New York, very poor people. What is the problem there? Why can't they deal with the situation?

DESAI: I would maybe give you a third world perspective on first world poverty, if you like. What I sense sometimes when I see the poverty of industrial countries is what we saw sometimes in the third world when a particular occupation or source of livelihood became irrelevant. And there was a period when the person who practised that, which may be a traditional craftsman, did have a substantial decline in his or her income. But, because the difference between his skills and what was required in the new economy were not that different, they generally transform themselves. The man who was making wheels for carts very quickly learned to become a carpenter who did other things, you see. I think what I sense in the West is that the way the economy of the West has evolved, with the growth of knowledge-based occupations, a large number of people find themselves with irrelevant skills, and the gap between what they have by real skills and what is required in the new economy is so large, particularly if they're 40, 45, 50, that there's no alternative other than falling back on welfare.

LITTLEJOHNS: But this is partly of course because of the development of high technology, computers, and so forth?

DESAI: Yes. Information-based industry, service-based industry.

LITTLEJOHNS: A machine can do the job of several hundred people.

DESAI: Or it requires skills which that worker doesn't necessarily have. That's one type of thing I sense. The second thing that I sense is that so many of the support structures that one has in countries like ours, mine, for instance, are family based. And what I sense here in the poverty that one sees is the poverty of very old people who are not supported by their children, or the poverty of the single mother who has to look after a household and the father has left. And what this seems to reflect for me is the very different situation with regard to the family in industrial countries. This seems to me to be the second type of source of world poverty. The third thing that I see here is that the capacity of Governments to run their own economies is greatly constrained. And this leads to unemployment which doesn't fall into the structural type of thing that I mentioned first, nor is it related to breakdowns of family, but it's quite simply the unemployment which arises because

Governments are no longer able to control their economies in a globalizing world. And finally, I must say, I confess that I sense also that in many countries, industrial countries, people are stepping back from the welfare idea. They're stepping back from the notion that the state or the Government has a responsibility for providing a safety net.

LITTLEJOHNS: This is particularly the case in the United States, and to some extent apparently it's developing also in France. What about Japan, Emiko?

TATE: As far as poverty? There's a level, but not as, you know, as extensive as a lot of other countries. And Japan also works very much with development assistance, one of I think the largest contributors to development assistance.

LITTLEJOHNS: What about internal assistance for what poor people there are in Japan?

TATE: You know, the family – there's a lot of – the family structure in Japan, a lot of the – you know, you talk about the elderly living with – they often live with the families. You know, grandparents, you have these larger extended families, so that type thing helps a lot.

LITTLEJOHNS: As you do in India, I believe.

DESAI: Yes. And I think – these are some of the differences that I see, and they're probably what underlies the visible poverty that you see as you walk out of this building, or in the streets of London or Paris or any other large western city.

STEELE: There are many universal truths. The poverty of young people, the feminization of poverty, as we hear now –

DESAI: Yes.

STEELE: Seventy per cent of the absolute poor by some estimates are women, single mothers. When you go back to your village – because I think the model is an interesting one – do you find that there's also been an increment in the empowerment, in the strength of women to manage their affairs within your village? Or is this, as it is in industrial societies, another layer that has yet to be lifted off the problem?

DESAI: I think now this is perhaps not the case. It may have been the case about 15, 20 years ago. Particularly with education. And some legislative changes which have been made which ensure that women are well represented in local government. This is no longer the case. Certainly women are much more active and powerful. When it comes to young people, I would say the – what's called the juvenilization of poverty, it's a very –

LITTLEJOHNS: The what?

DESAI: Juvenilization of poverty, but we shouldn't say it more often, more than once. It's too clumsy a phrase.

LITTLEJOHNS: You mean there are more –

DESAI: More younger people falling within the.... I'd say that this doesn't happen in economies where jobs are growing rapidly. Part of the problem of this high incidence of unemployment and poverty amongst the young is that societies have always placed greater stress on protecting existing jobs. A young person doesn't gain from that.

STEELE: Nor does a woman.

DESAI: Nor does a woman. They need new jobs. And they often have those new skills which are required for the new jobs which would be created in a rapidly growing economy. If you import a car from outside, you'd certainly affect a job in car manufacturing, but you'd probably generate a large number of jobs in car servicing. See? So I'd say that part of the problem is the increasing focus on protection as opposed to development and expansion.

TATE: With still so much resistance to improving conditions for women, who account for the majority of the poor, what can really be done with that? Can you make any changes without changing or addressing some of the cultures and customs of a society?

DESAI: I would say that you could almost argue that the cultures and customs have to be changed if women are to be empowered. In the sense that -- but I'd say that, if you had to identify a key, I would say focus on the role of women in decision-making, legislative as well as executive. The sort of changes which are coming about in India, because the law insists that one third of the seats in local authorities must be held by women, are profound. Because once they are there in positions of power and authority, other things will follow.

LITTLEJOHNS: Mr. Desai, the question of peace and security: How does poverty impact on that and political stability in countries?

DESAI: Both ways. I'd say that perhaps some of the worst victims of the types of breakdowns of peace and security that we have had are the poor. Who are the refugees? Who are the people you see? They're not rich people. They're not even middle income people. The ones who have to trudge to refugee camps and live in squalor, they're poor people. So, first, breakdowns of peace and security affect the poor far more than they affect others, who are quite able to protect themselves. Second -- and this I've heard, though I have no direct knowledge or experience -- that many of the tensions which are described superficially as ethnic or tribal have underlying them unemployment and poverty. What I do know is that much of the support for extremist movements, violent movements, fundamentalist movements, comes from young unemployed people. I don't know whether the young unemployed are necessarily poor, but certainly this marginalization from economic processes, either through poverty or through unemployment, almost certainly creates an environment in which a person does not feel any commitment to maintaining stability and is

quite easily persuaded to resort to violent means. So you could argue that, yes, it's possibly connected even with the breakdowns.

TATE: Mr. Desai, I'm just curious, what do you feel is the toughest part of your job?

DESAI: In this area?

TATE: In this area, yes.

DESAI: I would say the toughest part of our job in this area is basically to convince people that you can do something, that public action works, has delivered results, has led to gains and benefits. Because we also have examples of failures. We also have examples of inefficiency. So I say the real challenge before us is to convince people that, yes, we can do something, that poverty is not here with us to stay.

LITTLEJOHNS: Before 1996 is out, are you going to come up with some kind of plan of action or declaration on the problem of poverty? How are you going to codify this?

DESAI: Our principal hope is that by the end of 1996 a sufficiently large number of countries will have articulated and formulated their anti-poverty strategies. And certainly if it is worthwhile we would be happy to analyze this to see what the problem points are, to see what the linkages are. But our primary focus is to get action going at the national level.

LITTLEJOHNS: Mr. Desai, that's all the time we have. Thank you for being with us on this edition of **World Chronicle**. Our guest has been Nitin Desai, United Nations Under-Secretary-General for Policy Coordination and Sustainable Development. He was interviewed by Ian Steele of the Press Foundation of Asia and Emiko Tate of NHK, Japan Broadcasting.

I'm Michael Littlejohns. Thank you for joining us. We invite you to be with us for the next edition of **World Chronicle**.

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